

TO: Nancy Brennan  
FROM: Elizabeth Twomey  
SUBJECT: Marlboro 25's

DATE: July 30, 1986

Per your request, we have examined Marlboro 25's performance in the original test markets of Spokane and Indianapolis as well as in the Total U.S., from the following perspective:

- A comparison of each test market to the remaining markets in its respective region.

#### Geographic Analysis

The higher than average Marlboro 25's shares in Spokane (1.5) and Indianapolis (0.7) suggest that the test markets may have been more successful in developing Marlboro 25's. However, when viewing Marlboro 25's performance in these two markets versus markets in their respective regions, it is evident that the majority of markets located in these regions exhibits similar statistics for the 25's. For example, in Region 6, Marlboro 25's successful development is not limited to Spokane. In fact, the profile for Marlboro 25's in Seattle is virtually identical to Spokane's. Like Spokane, Seattle has an average Marlboro Development (103), and exhibits an outstanding share for Marlboro 25's (1.2). It is also interesting to note that Seattle was able to successfully develop Marlboro 25's without the additional support of a re-introduction, as in Spokane. Moreover, Des Moines, Kansas City, Wichita, Omaha-Lincoln, and Portland Or. also display average Marlboro development and above average Marlboro 25's shares.

Similarly, Indianapolis' performance is not unique among markets located in Region 4. The majority of markets in Region 4 is comparable to Indianapolis: slightly below average to average Marlboro markets, with average to above average Marlboro 25's development. Eight of the remaining thirteen markets in Region 4 post shares for Marlboro 25's of 0.6 or above. Furthermore, Green Bay (0.9) and Dakota (0.9) register even higher shares for Marlboro 25's than Indianapolis (0.7).

This homogeneous share development across diverse markets in these sales regions (4 and 6) strongly suggests that Marlboro 25's higher shares are a category/geographic phenomenon rather than being due to actions taken in the test markets.

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The chart below lists Marlboro 25's performance by market in regions 6 and 4, based on the latest 12 month average effective May 1986.

MARLBORO 25'S  
(12 MONTHS ENDING MAY 1986)

<u>REGION 6</u>	<u>TOTAL MARLBORO SDI</u>	<u>TOTAL MARLBORO 25's SHARE</u>
*SEATTLE	103*	1.23*
DES MOINES	103	0.74
KANSAS CITY	95	0.60
WICHITA	109	0.85
OMAHA-LINCOLN	107	0.78
DENVER	127	1.08
UTAH-IDAHO	126	1.04
BIG SKY	112	0.74
PORTLAND OR	95	0.94
SPOKANE	102	1.51
ALAKSA	133	1.68

<u>REGION 4</u>	<u>TOTAL MARLBORO SDI</u>	<u>TOTAL MARLBORO 25's SHARE</u>
*INDIANAPOLIS	94*	0.73*
FT. WAYNE-SOUTH BEND	81	0.55
LOUISVILLE-EVANSVILLE	85	0.62
DETROIT	66	0.24
GRAND RAPIDS	97	0.59
FLINT-SAGINAW	87	0.62
CHICAGO	76	0.40
PEORIA	103	0.71
QUAD CITIES	106	0.49
MILWAUKEE	77	0.69
GREEN BAY	86	0.89
MINNESOTA	112	0.41
DAKOTA	108	0.85

\* Test Market

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If you have any questions, or would like a further discussion please call.



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